Filing Receipt

Received - 2021-09-16 01:04:52 PM
Control Number - 51840
ItemNumber - 76

Capital PROJECT NO. 51840

RULEMAKING ESTABLISHING ELECTRIC WEATHERIZATION STANDARDS	**§ § §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

COMMENTS OF CAPITAL POWER CORPORATION

Capital Power Corporation (Capital Power) submits these comments in response to Commission Staff's (Staff) August 26, 2021 Proposal for Publication for New 16 TAC § 25.55. As requested by Staff, below is a summary of the contents of these comments:

- Additional clarity is needed in the definitions of "cold weather critical component" and "weather emergency preparations measures."
- Capital Power recommends language changes to, and requests certain clarifications of the proposed requirements to complete "all preparations necessary to ensure the sustained operation of all cold weather critical components during winter weather conditions" and to take "all actions necessary to prevent a reoccurrence of any cold weather critical component failure that occurred in the period between November 30, 2020, and March 1, 2021."
- Regarding the requirement to install wind breaks, Capital Power proposes clarifying that this provision does not apply to wind facilities generally.
- Capital Power requests clarification on what constitutes a freeze protection component.
- Capital Power asks that the Commission confirm that the proposed requirement to install monitoring systems for cold weather critical components, expressly excludes monitoring systems for wind turbine blade icing.

- Regarding the winter weather readiness report, Capital Power asks that the form be made specific to the generator type.
- Regarding the notarized attestation proposal, Capital Power requests that the Commission clarify the terms "highest-ranking representative, official, or officer with binding authority" and allow the notarization to be executed outside of the state of Texas for entities whose highest-ranking representative, official or officer with binding authority over the generation is not physically based in Texas.
- Regarding the ERCOT inspection checklist, the Commission should amend this section to allow generation owners the opportunity to review resource-specific forms before compliance is required.
- Regarding the good cause exception, the Commission should specify timing and allow generation entities sufficient time to make the good cause exception request.

I. BACKGROUND

Capital Power owns over 6,400 megawatts (MW) of power generation capacity at 26 facilities in Canada and the U.S., with an additional 985 MW in advanced development. Capital Power's fleet includes natural gas, dual fuel (natural gas and coal), wind, solar, waste heat, and landfill gas facilities. Capital Power is committed to the safe and reliable operation of its generating facilities across all markets and to ensuring compliance with applicable reliability standards and market rules. While reliability requirements usually must allow sufficient

compliance timelines, it is difficult to ensure this under the Commission's current statutory mandate,[1] making the clarifications requested in these comments even more necessary.

Capital Power is the upstream owner of Buckthorn Wind (Buckthorn), a 101 MW facility located in Erath County, Texas. During the February 9 to 20, 2021 period, some of Buckthorn's turbines were forced offline, but the facility experienced no significant physical damage, and operations were back to normal as of February 22. Overall, during the first six months of 2021, Buckthorn's availability —the percentage of time that the facility was available to generate power, reduced by both planned and unplanned outages—was 94 percent. For the same period in 2020, Buckthorn was available to operate 95 percent of the time.

II. COMMENTS

1. Definitions

a. Cold weather critical component

The definition of "cold weather critical component" needs clarification in two respects. Under Staff's proposal, it is defined as "any component that is susceptible to freezing, the occurrence of which is likely to lead to unit trip, derate, or failure to start." First, wind turbine blades are not susceptible to freezing (though they are to icing) and thus should be expressly excluded from this definition. As discussed in section (d) below, anti-icing and de-icing technologies are not available for after-market installation on wind turbines located in the U.S. Capital Power also requests that the Commission confirm that poor road conditions that do not allow personnel to access facilities are excluded from this definition.

---

[1] *See* Act of June 8, 2021, 87th Leg., R.S., ch. 426 at 49, § 39 (requiring the Commission to adopt rules necessary to implement weatherization standards no later than six months after the effective date of the Act) (hereinafter "SB 3").

b. Weather emergency preparations measures

The definition of "weather emergency preparations measures" requires a definition of what constitutes "extreme weather conditions." While the weather study that ERCOT will file with the Commission by January 1, 2022 will provide information on what constitutes extreme weather in Texas, that report is not yet available for reference to assist in complying with the proposed rules. Capital Power recommends in the interim adopting the approach taken by the North American Reliability Corporation (NERC) in its Implementation Guidance for Reliability Standard EOP-011-2, Emergency Operations and Preparedness,[2] allowing generator owners to determine the definition of cold weather based on the unit's location, the owner's experience with operations during cold weather events, and additional commonly used industry resources, e.g. the National Weather Service's Climate Predictions Center maps (sponsored by the National Oceanic and Atmospheric Administration and depicting average annual extreme minimum temperatures within the U.S.).

2. Phase one weather emergency preparedness reliability standards

a. Preparations necessary

The proposed requirement to complete "all preparations necessary to ensure the sustained operation of all cold weather critical components during winter weather conditions," § (c)(1)(A), is so broad as to lack enforceability, and enforceability is necessary for regulations. First, it is impossible to completely ensure sustained operations during winter weather conditions, or any weather conditions. Striving to achieve sustained operations is the responsibility of generation operators, who are accountable for maintaining generating unit reliability and mitigating the risks

[2] At 1, https://www.nerc.com/pa/Stand/Project%20201906%20Cold%20Weather%20DL/2019-06_EOP-011-2_Implementation_Guidance_04022021.pdf.

associated with extreme weather; however, no operator can guarantee the complete absence of unexpected derates or force majeure events that may arise, notwithstanding best maintenance and operating practices. Nor is such breadth consistent with the language of SB 3, which directs the Commission to require generation operators to implement measures to prepare assets to provide "adequate" electric generation service during a weather emergency.[3]

Second, "all preparations necessary" must be expanded to describe what preparations are defined as "necessary" for compliance enforcement purposes. The clarification could expressly state that the generation entity shall determine what preparations are necessary based on operations experience with the specific unit and good utility practice.

b. Installation of wind breaks

The § (c)(1)(B) requirement to install "adequate wind breaks for resources susceptible to outages or derates cause by wind" should specify what types of resources are susceptible to outages or derates caused by wind. At a minimum, the rules should identify the applicability of provisions based on resource type. In this instance, the Commission should confirm that this provision does not apply to wind facilities (as opposed to thermal generation).

c. Maintenance of freeze protection components

The requirement to maintain freeze protection components for all equipment should include information on what constitutes a freeze protection component, e.g., whether insulation would be considered a freeze protection component.

d. Installation of monitoring systems

Subsection (c)(1)(B) requires installation of monitoring systems for cold weather critical components, including circuitry providing freeze protection or preventing instrument air

[3] SB 3 at 17, § 13.

moisture. The parallel NERC standard,[4] which is applicable in regions much colder than Texas, does not require the installation of any such monitoring equipment. As the Commission has been made aware through the comments filed in this docket by GE Renewables North America, LLC (GE), Siemens Gamesa Renewable Energy, Inc., and Vestas American Wind Technology, Inc., as well as GE's August 12 work session presentation, anti-icing and de-icing technologies are not available for after-market installation on wind turbines located in the U.S., so monitoring systems for the same could not be installed.[5] Capital Power thus proposes expressly excluding from this definition monitoring systems relating to wind turbine blade icing.

e. All actions necessary to prevent reoccurrence of cold weather critical component failure

The § (c)(1)(C) requirement to take "all actions necessary to prevent a reoccurrence of any cold weather critical component failure that occurred in the period between November 30, 2020, and March 1, 2021," suffers from the same excessive breadth and unenforceability as § (c)(1)(A). First, the Commission should consider replacing the word "prevent" with the word "mitigate" to make clear that generation owners are not required to adhere to a strict level of perfection at any cost, human or material. Second, the Commission should expressly acknowledge that blade turbine icing cannot be completely prevented. Third, Capital Power requests that the Commission confirm that this provision would not require generation owners to undertake any actions that would put at risk the health or safety of employees or contractors.

[4] EOP-011-2, Emergency Preparedness, Requirement R7.

[5] *See, e.g.*, Initial Comments of GE Renewables North America, LLC at 1 (Jun. 23, 2021).

f. Winter weather readiness report

Section (c)(2) requires generation entities to submit a winter readiness report, on a form prescribed by ERCOT, by December 1, 2021. Capital Power recommends that this form be made specific to the generator type, to avoid confusion related to inapplicable provisions.

g. Notarized attestation

Section (c)(2)(A) requires the submission of a notarized attestation sworn to by the generation entity's highest-ranking representative, official, or officer with binding authority over the generation entity. Capital Power requests that the Commission clarify and provide examples of a generation entity's highest-ranking representative, official, or officer with binding authority. Capital Power also submits that the Commission should include provisions enabling the signing of the notarization to be executed outside of the state of Texas for entities whose highest-ranking representative, official or officer with binding authority over the generation may not be physically based in Texas.

h. ERCOT checklist

Per section (c)(3), ERCOT must develop a comprehensive checklist form and file it with the Commission no later than December 10, 2021; ERCOT must also use a generation entity's winter weather readiness report to adapt the checklist to the inspections of the generation entity's resources. The Commission should amend this section to allow generation owners the opportunity to review resource-specific forms before compliance is required.

i. Good cause exception

The good cause exception provided in section (c)(6) is not meaningful to the extent that it does not specify timing or provide any assurances that generation entities would be provided with sufficient time to make the good cause exception request.

III. CONCLUSION

Capital Power appreciates the opportunity to provide these comments and the Commission's efforts in timely implementing SB 3.

Respectfully submitted,

/s/ *Nelli Doroshkin*

Nelli Doroshkin
Regulatory Manager (U.S.)
Capital Power Corporation
ndoroshkin@capitalpower.com
(360) 601-0331
155 Federal St., Suite 1200
Boston, Massachusetts 02110